Raffle Training

Washington State Gambling Commission (800) 345-2529



Regional Offices

#Everett (425) 304-6300

#Tacoma (253) 671-6280

#Spokane (509) 325-7900

Call the closest regional office if you have questions regarding your raffle operation

Unlicensed Raffles - Public

- #Gross revenue less than \$5,000 in calendar year
- **No more than twice a year for combination of bingo/raffles/amusement games
- **#Only volunteer members selling tickets**
- **#Notify law enforcement 5 days in advance**
- **Retain records for one year**
- **#All** proceeds to stated goals and purposes

Unlicensed Raffles: Members only

- #Gross revenue less than \$5,000 in calendar year
- **#**Tickets sold ONLY TO MEMBERS
- **No limit on number of raffles in calendar year
- **Records** retained for one year
- ****May raffle unopened alcoholic beverage** with proper permit from Liquor Board

Gambling Manager

- #Person who oversees operation of raffle and/or disbursement of funds
- #Managers are responsible for conducting raffles within proper guidelines and ensuring all paperwork is completed
- #Will not have to license manager for raffles except under certain circumstances

Use of Proceeds

- #Gambling proceeds must be used exclusively for the organization's stated purpose.
- If giving proceeds directly to a particular individual, must get prior written approval from the Commission.

Independent Management Control Structure Required

It is the responsibility of the officers and board of trustees to ensure that:

- #Gambling activities are closely supervised and follow all rules;
- ****Proceeds go to the organization and its stated purpose; and**
- **X** All assets are protected from theft and misuse.

Requirements for Operating Environment

- #Must reduce risk of errors
- #Minimize risk of misuse, theft, fraud, and embezzlement;
- **#**Safeguard assets; and
- Ensure the records and reports are complete and accurate.

License Sizes

#Class A Up to \$5,000 gross receipts
#Class B Up to \$10,000 gross receipts
#Class C Up to \$25,000 gross receipts
#Class D Up to \$50,000 gross receipts
#Class E Up to \$75,000 gross receipts
#Class F Over \$75,000 gross receipts

Effect of Exceeding License

- If it becomes apparent you will exceed your license size, IMMEDIATELY notify the Commission and upgrade to the appropriate size license.
- #If you don't upgrade in a timely manner, there will be a fee collected for exceeding license class.

Joint Raffles

- **#Two or more organizations can join together**;
- #Must maintain in writing how income and expenses will be divided among them;
- ****One licensee must set up a separate bank** account;
- **#All** licensees must maintain raffle records.

Beer or Liquor/Firearms as Prizes

- **X**Liquor can only be offered as a prize in unlicensed members-only raffles.
- ****Only charitable or nonprofit organizations** operating a raffle may award firearms as prizes.
- #The firearm should be awarded using a certificate from a licensed firearm dealer, not awarding the firearm directly.

Credit

- #All raffle tickets must be paid for at the time of purchase using either cash, check, or credit card.
- ****Checks must be dated the same day of the raffle and fully negotiable.**
- **X**You should develop a policy on how you will handle any NSF checks before the raffle.

Notification to Law Enforcement

- **#Before beginning the raffle, you must** send a notice to local law enforcement in writing.
- **X**You should also check with the local taxing authority for any taxes due.
- #The first \$10,000 of net proceeds is exempt from taxation (RCW 9.46.110).

Changes in management and criminal history

- Changes to the raffle manager must be reported within 30 days. Changes in officers will be reported with the renewal application.
- If any criminal or civil charges are brought against officers or manger, must report within 30 days of the action being filed.

Inspection of Premises, Records, and Devices

- #All records must be available for our review or audit.
- #All records must be complete by thirty days following the drawing.

Display of License and Rules Manual

- Have the original or a copy of the license displayed at the location where the drawing will be held.
- #A current copy of the rules manual must be available at the site of the drawing and made available to anyone who may ask to refer to it, including Commission staff.

Who Can Sell Your Tickets

#Only members of the organization or volunteers under the supervision of a member may sell tickets.

Control of Prizes

- #Merchandise prizes must be paid for in full prior to the drawing.
- #Cash prizes must be available at the time of the drawing either in cash or check.

Manner of Conducting a Raffle

- **X**You may not charge more than \$25 to enter a raffle drawing.
- #All tickets must be consecutively numbered.
- If the winner is not required to be present to win, there must be a detachable stub to include name, address, and telephone number.

What must be on a ticket*

* or available at point of sale

- **#Cost per chance**
- #Date, time, and location of drawing
- ****Name of the organization**
- #Whether you need to be present to win
- **#Description of all prizes**
- **#All** rules by which prizes may be won in the raffle

Free Tickets and Incentive Awards

- ****No raffle tickets can be given away**
- ****NON-CASH** incentive awards for ticket sales are allowed as long as:
 - Awards are based on the number of tickets sold
 - FMV of total incentive prizes does not exceed 5% of gross gambling receipts of the raffle

Sale of Discounted Tickets

- #Use only one discount plan per raffle and do not change it.
- **XYou must create the discount plan before selling any raffle tickets.**
- **X**You must be licensed to conduct the raffle.
- **XYou must make single non-discounted tickets available to all participants.**

Discounted Tickets (cont)

- #Discounted tickets must be bundled into booklets containing a prescribed number of tickets for the discount scheme.
- #Tickets put into these booklets may not be sold individually.
- **X**The booklet cover will be imprinted with the discount scheme.

Random Drawing

#All tickets must be placed into a receptacle for the drawing in such a way that each ticket has an equal opportunity of being drawn.

Alternative Drawing Formats

- #Must ALWAYS have a license before conducting an alternative drawing format
- ELicensees may use the following types of alternative drawing formats: Mock races, poker runs, ball drops, animal plops, multiple stage drawings, bucket raffles, and calendar raffles

Licensed Members-Only Raffles

- ****Applicable as long as only members and no more than 25% guests are sold chances.**
- #All aspects of the raffle must take place during the same event at the same location.

Record Keeping

- ****A** separate gambling account is required for Class E and above licensees.
- If you already have a separate gambling account for other activities such as bingo, use that for raffle income also.
- ##All receipts must be deposited in the gambling receipts account at least weekly for Class E and above.

Raffle Records - Iow volume

- **Class A-D and unlicensed raffles must keep monthly records of the following:**
 - Gross receipts; and
 - Prizes paid; and
 - Net income; and
 - Documentation of expenses; and
 - Documentation of how proceeds were used

Raffle Records High Volume and Alternative Format

- Class E-F and any raffle using an alternative drawing format must prepare detail records:
 - Record all data required in the standard format we provide

 - △All ticket stubs for raffles that participants are not required to be present at the drawing; and
 - △All winning raffle tickets

Ticket Distribution Log

RAFFLE TICKET DISTRIBUTION LOG

Licensee:					Date of D	rawing:	
Total Tickets Printed:	Phone Number	Ticket Numbers Issued	(1) Total Tickets Issued	(-) (2) Total Tickets Returned or Unsold	(=) Ticket Numbers of Returned or Unsold Tickets	(3) Total Tickets Sold	Funds Received From Seller
							\$
	-						
							-
							-
					·		
							
UNISSUED TICKETS							
TOTALS							\$
					-		

Raffle Records (cont.)

- ****A** description of each prize including the cost or FMV of donated prizes
- **Name, address and telephone number of each winner of prizes valued at over \$20

Record of Winners

RAFFLE WINNERS REGISTER

Licensee:			
Date of Raffle:			
or prizes with a cost or fair market value ir	n excess of \$20:		
Name, Address & Phone # of Winner	Description of Prize (Indicate If Donated)	Purchase Price or Fair Market Value Amount	Winning Ticket Numbers (1)
		\$	
)		_ _ _	
()			
		- 	
)		<u>-</u> -	
)		- -	
)		<u>-</u>	
		- 	
For prizes with a cost or fair market value o	f \$20 or less: escription	- -	
	Total Prizes Pai	d \$ (2	

⁽¹⁾ Attach Winning Tickets To Prize Summary.

⁽²⁾ Record Total Prizes Paid On The Raffle Summary.

Raffle Summary

- ****Validated deposit receipt**
- **#All** winning tickets
- #All losing ticket stubs if winner not required to be present to win
- ****All unsold tickets if the gross receipts will be more than \$5,000**
- **Invoices for purchase of tickets,prizes or other expenses

Raffle Summary

WASHINGTON STATE GAMBLING COMMISSION RAFFLE SUMMARY

ensee:	Date Of Drawing:		
Reconciliation Of Ticket Sales			
(-)	(+) 1 (-)		(=)
Ending Ticket # Begin	ining Ticket #	# of Returned Tic	kets Total Tickets So
Activity Summary	Price		
Gross Receipts: Total Tickets Sc		et \$	= \$
Less Prizes Paid (See Winners	Register)		(-)
Equal Net Receipts			=
Expenses:			
License Fees	\$		
Local Taxes			
State Taxes			
Equipment Rental			
Advertisement			
Cash (Over) / Short (A)			
Other			
T			_
I otal Expenses			
Total Expenses			
Net Income			
Net Income Other Required Information			
Net Income	:		\$ <u></u>
Net Income	: (-) Total Amount Depo:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo: Short: Amount	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo: Short:	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo: Short: Amount	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depo: Short: Amount	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depor	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depos Short: Amount sidule (If Needed)	sited ^(B)	(=) \$
Net Income	: (-) Total Amount Depos Short: Amount sidule (If Needed)	sited ^(B)	(=) \$

Records Completion and Retention

##All records must be completed no later than 30 days following the drawing.

Records for licensed raffles must be kept for 3 years from the end of the licensees' fiscal year in which the raffle was completed.

Custody of Records

- Records must be maintained in the main administrative or business office located within Washington state.
- ****Organizations that do not have an administrative or business office must have and designate a records custodian that resides in Washington.**

Prize Inventory Control Record

- #All items purchased as gambling prizes must be accounted for on a form indicating:
 - Description and quantity of prizes
 - Per unit cost
 - □ Date purchased, vendor name and invoice
 - □ Date, # of items removed and reasons for removal from inventory

Inventory Control Log

WASHINGTON STATE GAMBLING COMMISSION Prize Inventory Control Record (Form 1)

Licensee:			
Purchased/Donate	d Merchandise for Pri	izes:	
Description:			
Vendor/Donor Name:			
Invoice Number:		Price/Fair Market Value Per It	tem:
Invoice Amount:		Date Purchased/Received:	
Number of Items:			
Date Issued	# of Items Issued	Cumulative # of Items Remaining	Reason for Inventory Removal

Note: This form should be used to track a large quantity of identical items purchased for prizes. For various items, use Form 2.

Annual Activity Report

- #Thirty days before your raffle license expires, you will receive an activity report
- ****Complete and return the activity report** before the due date
- ****Be** sure to get all necessary information to the raffle manager so the paperwork can be completed

Good luck on your raffle!!!

Further instructions or review, see the on-line training at:

www.wsgc.wa.gov